

To: Joint Committee on Finance

From: Bob Lang, Director  
Legislative Fiscal Bureau

## ISSUE

### **Convert Pike Lake State Park to a Southern Forest Property (DNR--Forests and Parks)**

[LFB Summary: Page 403, #19]

## CURRENT LAW

DNR's park staff manage Wisconsin's recreational properties, including the state parks, state trails, state recreation areas and southern state forest properties. Under statute, state forests are managed to provide a full range of benefits including soil protection, public hunting, protection of water quality, production of recurring forest products, outdoor recreation, native biological diversity, aquatic and terrestrial wildlife and aesthetics. Under statute, state parks are managed to provide areas for public recreation and for public education in conservation and nature study.

Revenue for state parks operations comes primarily from the general fund (GPR) and the parks account of the conservation fund (funded primarily from campsite fees and park admission fees). The main source of revenue for the operations of southern state forests is the forestry account of the conservation fund (funded primarily through forestry fees and the forestry mill tax on property of 20¢ per \$1,000 of property value).

## GOVERNOR

Shift \$227,400 and 3.0 positions annually from parks-related GPR to the forestry account of the conservation fund and convert Pike Lake State Park to a southern forest property as a unit of the Kettle Moraine. The anticipated annual revenue of \$135,000 at Pike Lake (admissions and camping fees) would accrue to the forestry account rather than the parks account.

## DISCUSSION POINTS

1. Pike Lake State Park, located in Washington County, is a 678 acre property. The property has 32 campsites, showers, dumping stations, a disabled picnic area, a disabled camp area and facilities for swimming and fishing. There are nature, hiking, snowmobile and cross-country ski trails on the property. The park is located approximately halfway between the Northern and Southern units of the Kettle Moraine State Forests within the Kettle Moraine region of the state.

2. While the statutory purposes behind the management of parks and forests differ, DNR officials indicate that southern state forests tend to be managed more like parks than the northern state forests. The northern state forests (17 properties) are operated by DNR's forestry staff in a manner that tends to focus on the enhancement of their timber resources. The five southern forest properties are operated by state parks personnel and are managed in a manner that tends to give priority to their recreational value.

3. Further, DNR indicates that a shift in funding and classification would have little effect on the operation of Pike Lake State Park. Issues such as hunting on the property, the treatment of timber stands and the treatment of exotic species will be dealt with as part of the master planning process for the property which will be undertaken regardless of Pike Lake's classification as a state park or a southern state forest.

4. In their budget request, DNR proposed shifting the funding and positions for Pike Lake State Park completely from parks SEG to the forestry account. The agency indicated that this would help the parks account maintain a positive balance. DNR projected a balance of approximately \$2.2 million in the parks account at the end of the 1997-99 biennium.

5. The Governor's budget would transfer the funding and positions associated with Pike Lake State Park from the GPR appropriation for the parks system (rather than the SEG appropriation requested by DNR) to the forestry account. However, the Governor also recommends shifting \$180,800 in annual funding for the Kickapoo Management Reserve Board from parks SEG to forestry SEG. Further, the Governor recommends additional expenditures from the parks account (such as the campground reservation system and state snowmobile trail aids), resulting in a projected balance of approximately \$510,000 in the parks account at the end of the 1997-99 biennium.

6. Traditionally, operations of the parks system have been funded relatively equally between GPR and parks SEG. However, over the past several years somewhat more than 50% of funding has come from one or the other source in a given year. In 1996-97, the adjusted base for state parks operations is \$5,618,800 SEG (51% of the total) and \$5,341,300 GPR (49% of the total).

7. Therefore, it could be argued that taking the funding and positions for Pike Lake State Park equally from GPR and parks SEG, rather than completely from either source, would be more consistent with the traditional funding of the parks system.

8. Administration officials, however, indicate that shifting the funding and positions for Pike Lake State Park entirely from GPR to forestry SEG is a budget efficiency measure similar to other items recommended by the Governor to reduce state government GPR costs.

## ALTERNATIVES TO BASE

1. Approve the Governor's recommendation to convert Pike Lake State Park from a state park to southern forest property and reallocate the funding and positions for Pike Lake State Park from GPR to forestry SEG. (\$135,000 annually in revenues at the site would accrue to the forestry account.)

<u>Alternative 1</u>	<u>GPR</u>	<u>SEG</u>	<u>TOTAL</u>
1997-99 FUNDING (Change to Base)	- \$454,800	\$454,800	\$0
[Change to Bill]	\$0	\$0	\$0]
1998-99 POSITIONS (Change to Base)	- 3.00	3.00	0.00
[Change to Bill]	0.00	0.00	0.00]

2. Modify the Governor's recommendation by reallocating the funding and positions for Pike Lake State Park equally from GPR and the parks account (\$113,700 and 1.5 positions annually from each source) to the forestry account. (\$135,000 in revenues at the site would accrue to the forestry account.)

<u>Alternative 2</u>	<u>GPR</u>	<u>SEG</u>	<u>TOTAL</u>
1997-99 FUNDING (Change to Base)	- \$227,400	\$227,400	\$0
[Change to Bill]	\$227,400	- \$227,400	\$0]
1998-99 POSITIONS (Change to Base)	- 1.50	1.50	0.00
[Change to Bill]	1.50	- 1.50	0.00]

3. Maintain current law. This would result in Pike Lake State Park remaining a state park and keep the associated GPR funding and positions in the parks system rather than shifting the costs to the forestry account (\$135,000 in revenues at the site would accrue to the parks account).

<u>Alternative 3</u>	<u>GPR</u>	<u>SEG</u>	<u>TOTAL</u>
1997-99 FUNDING (Change to Base)	\$0	\$0	\$0
[Change to Bill]	\$454,800	- \$454,800	\$0]
1998-99 POSITIONS (Change to Base)	0.00	0.00	0.00
[Change to Bill]	3.00	- 3.00	0.00]

Prepared by: Russ Kava

MO# Alt 1

2 BURKE	(Y)	N	A
DECKER	(Y)	N	A
GEORGE	(Y)	N	A
JAUCH	(Y)	N	A
WINEKE	(Y)	N	A
SHIBILSKI	(Y)	N	A
COWLES	(Y)	N	A
PANZER	(Y)	N	A
JENSEN	(Y)	N	A
OURADA	(Y)	N	A
HARSDORF	(Y)	N	A
ALBERS	(Y)	N	A
GARD	(Y)	N	A
KAUFERT	(Y)	N	A
LINTON	(Y)	N	A
COGGS	(Y)	N	A

AYE 16 NO 2 ABS 0

To: Joint Committee on Finance

From: Bob Lang, Director  
Legislative Fiscal Bureau

## ISSUE

### **Campground Reservation System (DNR -- Forests and Parks)**

[LFB Summary: Page 405, #22]

## CURRENT LAW

The Department of Natural Resources is authorized to establish a campground reservation system at any of the state parks or state forests campgrounds. DNR may accept reservation applications each year beginning January 10 and may give reservations until the available sites in a campground for a given date are exhausted. A reservation fee is charged equal to the estimated cost of administering the system (currently \$4). 1995 Act 27 required the Department of Natural Resources and the Department of Tourism to work jointly to establish an automated campground reservation system.

Campground reservations are currently accepted by person, by mail, and during certain times, by calling an individual park. Applications must be submitted directly to the forest or park at which a reservation is desired. There is no centralized reservation system linking campgrounds at state parks and forests. Confirmation of reservations are then mailed back to applicants. Because of the volume of applications received by DNR in January, confirmations may not be received by some applicants until late February. Campsites may also be reserved by telephone during the summer, with extended acceptance periods at some parks (Peninsula, Governor Dodge, High Cliff, Devil's Lake, Bong and Mirror Lake). The percentage of reservable campsites ranges from 40% to 100%, depending on the property.

## GOVERNOR

Provide \$265,900 SEG in 1997-98 (\$64,600 from the forestry account and \$201,300 from the parks account of the conservation fund) and \$581,600 SEG in 1998-99 (\$122,500 from forestry and \$459,100 from parks) for automation of the reservation system for state park and southern forest campgrounds.

Allow DNR to enter into a contract with another party to operate the campground reservation system. Effective April 1, 1998, delete statutory provisions specifying: (a) when DNR may begin accepting reservation applications each year; (b) how DNR handles early applications; and (c) other processing matters. Effective January 1, 1998, require DNR to promulgate rules for the operation of the campground reservation system, including: (a) the authority to refuse to accept campground reservation applications before a certain date or to treat applications received before that date as if they had been made on that date; and (b) the authority to give reservations for each year until all of the available sites in a campground that are open for reservations for a given date have been reserved. Allow DNR to publish emergency rules, without the finding of an emergency, within three months of bill enactment to implement these provisions.

## DISCUSSION POINTS

1. In 1996, DNR conducted six focus groups consisting of a total of 48 campers to discuss the current reservation system as well as a proposed system where campers would be able to make reservations statewide with a single phone call and pay with a credit card. Focus group participants felt that under the current reservation system: (a) it takes too long to receive confirmation of whether or not they received a site; (b) the system is paper intensive; and (c) reservation forms are not readily available. Focus group participants also felt that a telephone system would be an improvement if: (a) such a system could offer immediate confirmation of a reservation; and (b) campers could reserve a site according to features they desire as described to a reservation operator.

2. As proposed by the Department, the reservation system would allow campers to place campground reservations statewide by telephone and subsequently through a page on the World Wide Web. The system would be accessible to campers 24 hours a day, seven days a week. The system would accept payment by credit card with provisions for those who wish to pay by check. Campers would be provided with immediate reservation confirmation, rather than having to wait several weeks under the current system. The system could also accommodate customer requests for specific sites. If the campground desired by a camper was not available, the reservationist would refer the camper to either a lower-demand time period for the same campground or a lesser-used state campground in the area. The system would also be part of the information technology infrastructure of the Department, providing parks and forests with hardware and software for e-mail, financial reporting and other applications.

3. DNR indicates the vendor would also provide callers to the system with the phone number for a local visitor's bureau, private campground or other local organization if a state campground is not available.

4. The Department is currently in the process of issuing requests for proposals (RFPs) for operation of the campground reservation system, with a contract for operation expected to be issued in November, 1997. For 1998, reservations would be mailed into the call center starting on January 10, 1998. The reservations that are mailed in for 1998 would be entered into the call center database. The Department anticipates that the call center would begin taking calls and accepting reservations in April, 1998, with applications being accepted over the World Wide Web by January, 1999.

5. The personal computers, printers, and other hardware and training costs would be paid through a three-year master lease contract (\$305,700 in both the 1997-99 and 1999-2001 biennia). Parks staff indicate that equipment for the campground reservation system would initially be installed at approximately 40 of the 46 parks and forests properties in the state with family campgrounds. Funding has also been proposed for online telecommunications costs, credit card transaction fees and Departmental support for installation of computers. The Department is considering adding the remaining properties, properties with group campgrounds and other Department facilities (amphitheaters, auditoriums and conference rooms) to the automated reservation system in the future.

6. Parks staff indicate that they are choosing to contract with a vendor to run the call center because: (a) based on the experience of other states, they estimated start-up costs related to creating a DNR call center at approximately \$1 million with ongoing operations costs of approximately \$600,000 annually; and (b) the workload at the call center would likely fluctuate depending on the time of the year, making it difficult for the Department to adjust staffing levels as quickly as necessary. Under SB 77, any start-up or ongoing costs related to the call center would be borne by the vendor.

7. Program staff indicate that the vendor would keep the reservation fee as part of the cost of running the system. DNR currently retains this fee. The new reservation fee will be set as part of the RFP process. Parks staff indicate that this fee would likely be in the \$4 to \$8 range. The possibility of a higher fee was discussed as part of the focus groups, with the researchers concluding that many campers would be willing to pay more for a campground reservation system if site confirmation were immediate.

8. While the \$4 reservation fee will no longer be deposited in the parks account, DNR believes that this loss in revenue would be balanced by increased use of campgrounds in the state. DNR would continue to retain the revenue from campsite fees and vehicle admission fees. Parks officials estimate an initial revenue loss of approximately \$80,000 in calendar year 1998 and a revenue increase of approximately \$275,000 in calendar year 1999. This is based on a 10% increase in reservations in 1998 and a 15% increase in 1999, consistent with the 13.5%

increase seen between 1995 and 1996 when telephone reservations were first initiated. In addition, there would be some economic benefit to communities near campgrounds due to the increased number of campers. There would, however, be ongoing costs of approximately \$550,000 annually to operate and maintain the system at the state parks and forests. Thus, while it is unclear that the state will recover the costs of the system, it could be argued that the benefits of an automated reservation system for campground users would outweigh the costs.

9. Due to an oversight in the preparation of the budget request, DNR did not include the funding needed to implement the automated reservation system at the Northern Highland/American Legion and Black River State Forests. Both of these properties take campground reservations under the current system. Funding of \$14,100 in 1997-98 and \$22,400 in 1998-99 would be needed for information technology infrastructure and ongoing operations costs similar to those proposed for the other properties.

### ALTERNATIVES TO BASE

1. Approve the Governor's recommendation to provide \$265,900 in 1997-98 and \$581,600 in 1998-99 for automation of the reservation system for state park and forest campgrounds and to allow DNR to enter into a contract with another party to operate the campground reservation system.

<u>Alternative 1</u>	<u>SEG</u>
1997-99 FUNDING (Change to Base)	\$847,500
[Change to Bill]	\$0]

2. In addition to Alternative 1, provide \$14,100 in 1997-98 and \$22,400 in 1998-99 from the forestry account to implement the automated reservation system at the Northern Highland/American Legion and Black River State Forests.

<u>Alternative 2</u>	<u>SEG</u>
1997-99 FUNDING (Change to Base)	\$36,500
[Change to Bill]	\$36,500]

3. Maintain current law.

<u>Alternative 3</u>	<u>SEG</u>
1997-99 FUNDING (Change to Base)	\$0
[Change to Bill]	- \$847,500]

Prepared by: Russ Kava



MO#

A-2

2 BURKE	(Y)	N	A
DECKER	(Y)	N	A
GEORGE	(Y)	N	A
JAUCH	(Y)	N	A
WINEKE	(Y)	N	A
SHIBILSKI	(Y)	N	A
COWLES	(Y)	N	A
PANZER	(Y)	N	A
JENSEN	(Y)	N	A
1 OURADA	(Y)	N	A
HARSDORF	(Y)	N	A
ALBERS	(Y)	N	A
GARD	(Y)	N	A
KAUFERT	(Y)	N	A
LINTON	(Y)	N	A
COGGS	(Y)	N	A

AYE 16 NO 0 ABS 0

## NATURAL RESOURCES

## Campground Reservation System (Paper #586)

## Motion:

Move to require DNR to retain \$1 from the reservation fee charged by the vendor under the automated reservation system. Further, require Joint Committee on Finance review of the contract negotiated by DNR and the vendor chosen for the automated reservation system under a 14-day passive review process before final approval of the contract.

## Note:

Based on projections in the number of reservations, DNR would retain an estimated \$81,000 in calendar year 1998 and an estimated \$92,800 in calendar year 1999 under this motion. The fee charged by the vendor would also likely increase by approximately \$1 (to a \$5 to \$9 range rather than \$4 to \$8 under the bill).

MO#

910

BURKE	Y	N	A
DECKER	Y	N	A
GEORGE	Y	N	A
JAUCH	Y	N	A
WINEKE	Y	N	A
SHIBILSKI	Y	N	A
COWLES	Y	N	A
PANZER	Y	N	A
JENSEN	Y	N	A
OURADA	Y	N	A
HARSDORF	Y	N	A
ALBERS	Y	N	A
GARD	Y	N	A
KAUFERT	Y	N	A
LINTON	Y	N	A
COGGS	Y	N	A

AYE 14 NO 2 ABS

# NATURAL RESOURCES

## Forests and Parks

### LFB Summary Items for Which No Issue Papers Have Been Prepared

<u>Item #</u>	<u>Title</u>	MO# <u>include all items</u>		
4	Ranger Station Replacement	BURKE	(Y)	N A
5	Forest Fire Control Equipment Replacement	DECKER	(Y)	N A
7	Forestry Resource Management and Planning	GEORGE	(Y)	N A
8	Forest Crop Law Rollover Funding	JAUCH	(Y)	N A
9	Urban Forestry Grant Program	WINEKE	(Y)	N A
10	Northern Forest Operations	SHIBILSKI	(Y)	N A
12	Forestry Operations Support	COWLES	(Y)	N A
13	Forest Tax Law Aids	PANZER	(Y)	N A
14	Gypsy Moth Pest Management Education	JENSEN	(Y)	N A
15	Kettle Moraine Exotic Species Control	OURADA	(Y)	N A
17	Shift Kickapoo Reserve Management Board Funding	HARSDORF	(Y)	N A
18	Parks and Southern Forests Facilities	ALBERS	(Y)	N A
21	Parks and Southern Forests Preventive Maintenance	GARD	(Y)	N A
23	State Park and Trail Operations	KAUFERT	(Y)	N A
		LINTON	(Y)	N A
		COGGS	(Y)	N A
		AYE <u>16</u>	NO <u>0</u>	ABS <u>0</u>

### LFB Summary Item to be Addressed in a Subsequent Paper

<u>Item #</u>	<u>Title</u>
20	Parks Admission Fee Structure

NATURAL RESOURCES AND PUBLIC INSTRUCTION

Wisconsin Environmental Education Board

Motion:

Move to provide \$200,000 annually from the forestry account for the Wisconsin Environmental Education Board for grants for forestry-related environmental education programs.

Note:

The Environmental Education Board under DPI is responsible for identifying needs and establishing priorities for environmental education in public schools. The Board also awards grants to nonprofit corporations and public agencies for the development, dissemination and presentation of environmental education programs. The grant recipient must match at least 25% of the amount of the grant. Grants are currently funded from GPR (\$200,000) and the environmental fund (\$30,000). This motion would provide an additional \$200,000 annually from the forestry account for grants for environmental education programs related to forestry.

[Change to Base: \$400,000 SEG]

[Change to Bill: \$400,000 SEG]

MO# 760

2 BURKE	(Y)	N	A
DECKER	(Y)	N	A
GEORGE	(Y)	N	A
JAUCH	(Y)	N	A
WINEKE	(Y)	N	A
SHIBILSKI	(Y)	N	A
COWLES	(Y)	N	A
PANZER	(Y)	N	A
JENSEN	(Y)	N	A
OURADA	(Y)	N	A
HARSDORF	(Y)	N	A
ALBERS	(Y)	N	A
GARD	(Y)	N	A
KAUFERT	(Y)	N	A
LINTON	(Y)	N	A
COGGS	(Y)	N	A

AYE 16 NO 0 ABS 0

## NATURAL RESOURCES -- FORESTS AND PARKS

### Forestry Positions

#### Motion:

Move to provide \$62,000 SEG in 1997-98 and \$74,600 SEG in 1998-99 and 1.5 SEG positions for a plant pest and disease specialist position and a one-half time forest resource educator position.

Further, convert \$224,000 and 4.5 positions annually from FED to forestry SEG.

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#### Note:

The plant pest and disease specialist position would coordinate DNR's gypsy moth integrated pest management program.

The forest resource educator position currently provides forest appreciation and awareness, such as coordination and implementation of the department's tree and forest resource education program. The position was authorized in the 1991-93 biennial budget, half funded from private contributions and half funded from forestry SEG. DNR indicates that private sector contributions have not been sufficient to support the 0.5 PR position. SB 77 would eliminate the PR portion of the position and require reallocation of an existing 0.5 SEG position if Forestry wanted to maintain the full position. This motion would restore the 0.5 position but fund it from the forestry account.

The forestry program currently supports eight positions with federal funding: (a) two positions with the Agricultural Conservation Program grant, both of which would be converted in this motion; (b) one with the Conservation Reserve Program grant, which would be converted; (c) one with the Forest Resource Management grant, of which 0.4 position would be converted; and (d) four with the Rural Fire Prevention and Control grant, of which 1.1 positions would be converted. Beginning in 1997, DNR indicates there may not be adequate funding to support the 4.5 positions from federal sources. This motion would fund the positions with forestry SEG.

[Change to Base: \$584,600 SEG and 6.0 SEG positions, -\$448,000 FED and -4.5 FED positions]

[Change to Bill: \$584,600 SEG and 6.0 SEG positions, -\$448,000 FED and -4.5 FED positions]

MO# 1092

2 BURKE	(Y)	N	A
DECKER	(Y)	N	A
GEORGE	(Y)	N	A
JAUCH	(Y)	N	A
WINEKE	(Y)	N	A
SHIBILSKI	(Y)	N	A
COWLES	(Y)	N	A
PANZER	(Y)	N	A
JENSEN	(Y)	N	A
1 OURADA	(Y)	N	A
HARSDORF	Y	(N)	A
ALBERS	(Y)	N	A
GARD	(Y)	N	A
KAUFERT	(Y)	N	A
LINTON	(Y)	N	A
COGGS	(Y)	N	A

AYE 15 NO 1 ABS 0

NATURAL RESOURCES -- FORESTS AND PARKS

Henry Aaron State Park Trail

Motion:

Move to provide \$46,000 in 1997-98 and \$58,000 in 1998-99 and 1.0 project manager position annually from the parks account of the conservation fund for development, operation and maintenance of the Henry Aaron State Park Trail.

Note:

The project manager would write grants, negotiate land transactions, conduct site planning, oversee construction development and work with landowners and other project partners. Operations and maintenance of the trail would be funded at \$5,000 in 1998-99.

[Change to Base: \$104,000 SEG and 1.0 position]

[Change to Bill: \$104,000 SEG and 1.0 position]

MO# 1550

BURKE	(Y)	N	A
DECKER	(Y)	N	A
GEORGE	(Y)	N	A
2 JAUCH	(Y)	N	A
WINEKE	(Y)	N	A
SHIBILSKI	(Y)	N	A
COWLES	(Y)	N	A
PANZER	(Y)	N	A
JENSEN	(Y)	N	A
OURADA	(Y)	N	A
HARSDORF	(Y)	N	A
ALBERS	(Y)	N	A
GARD	(Y)	N	A
KAUFERT	(Y)	N	A
LINTON	(Y)	N	A
COGGS	(Y)	N	A

AYE 16 NO 0 ABS 0

NATURAL RESOURCES -- FORESTS AND PARKS

Milwaukee Tree Planting Demonstration Project

Motion:

Move to earmark \$50,000 annually in 1997-99 only from the urban forestry grant program for a tree planting demonstration program in Milwaukee.

Note:

The proposed tree planting program would involve the planting of trees on private land, including the central city. The motion would earmark \$50,000 of the \$529,900 provided annually for the urban forestry grant program under SB 77 for the Milwaukee tree planting project.

MO# 1549

1 BURKE	<u>Y</u>	N	A
DECKER	<u>Y</u>	N	A
2 GEORGE	<u>Y</u>	N	A
JAUCH	<u>Y</u>	N	A
WINEKE	<u>Y</u>	N	A
SHIBILSKI	<u>Y</u>	N	A
COWLES	<u>Y</u>	N	A
PANZER	<u>Y</u>	N	A
JENSEN	Y	<u>N</u>	A
OURADA	<u>Y</u>	N	A
HARSDORF	Y	<u>N</u>	A
ALBERS	<u>Y</u>	N	A
GARD	Y	<u>N</u>	A
KAUFERT	Y	<u>N</u>	A
LINTON	<u>Y</u>	N	A
COGGS	<u>Y</u>	N	A

AYE 12 NO 4 ABS 0



## NATURAL RESOURCES AND EDUCATIONAL COMMUNICATIONS BOARD

## Wisconsin Women in Timber

## Motion:

Move to provide \$350,000 in 1997-98 from the forestry account to Wisconsin Women in Timber for an educational program and instructional materials as follows: (a) \$50,000 for an instructional video on forestry to be produced by the Educational Communications Board; (b) ~~\$200,000~~ for instructor salaries to allow members of Wisconsin Women in Timber to provide forestry education, which would utilize the ECB-produced video; and (c) ~~\$100,000~~ for other instructional materials. Further, make dispersal of funding contingent on the signing of a memorandum of understanding between the ECB, UW-Stevens Point College of Natural Resources Timber Management Program and Wisconsin Women in Timber regarding the goals of the program.

*\$200,000*  
[Change to Base: ~~\$350,000~~ SEG]

[Change to Bill: ~~\$350,000~~ SEG]

*\$300,000*

*\$100,000*

*Friendly motion  
to reduce  
the funding*

*\$50,000*

MO# 1567

BURKE	<input checked="" type="radio"/>	N	A
DECKER	Y	<input checked="" type="radio"/>	A
GEORGE	<input checked="" type="radio"/>	N	A
JAUCH	Y	<input checked="" type="radio"/>	A
WINEKE	Y	<input checked="" type="radio"/>	A
SHIBILSKI	<input checked="" type="radio"/>	N	A
COWLES	Y	<input checked="" type="radio"/>	A
PANZER	<input checked="" type="radio"/>	N	A
JENSEN	<input checked="" type="radio"/>	N	A
OURADA	Y	<input checked="" type="radio"/>	A
HARSDORF	Y	<input checked="" type="radio"/>	A
ALBERS	<input checked="" type="radio"/>	N	A
GARD	Y	<input checked="" type="radio"/>	A
KAUFERT	Y	<input checked="" type="radio"/>	A
LINTON	<input checked="" type="radio"/>	N	A
COGGS	Y	<input checked="" type="radio"/>	A

AYE 7 NO 9 ABS

## NATURAL RESOURCES -- FORESTS AND PARKS

## Managed Forest Land

## Motion:

Move to require DNR to modify the definition of "developed for human residence" within the Managed Forest Land (MFL) program through the rule-making process to address the development of lands for secondary homes to exclude up to one acre of property surrounding a secondary home. Require DNR to submit rule changes to the Legislature by September 1, 1998.

## Note:

Under the Managed Forest Land program, land designated as MFL is not taxable. A person's primary residence, or domicile, is considered developed for human residence and is not eligible for designation as managed forest land. A secondary residence, however, is not considered developed for human residence and is thus eligible for MFL designation. The land underneath a primary residence is thus taxable, while the land underneath a secondary residence, if designated as MFL, is not taxable. DNR indicates it would develop criteria under which secondary residences would not be eligible for MFL designation, making the land under such residences taxable.

MO# 1565

2 BURKE	<input checked="" type="radio"/>	N	A
DECKER	<input checked="" type="radio"/>	N	A
GEORGE	<input checked="" type="radio"/>	N	A
JAUCH	<input checked="" type="radio"/>	N	A
WINEKE	<input checked="" type="radio"/>	N	A
SHIBILSKI	<input checked="" type="radio"/>	N	A
COWLES	<input checked="" type="radio"/>	N	A
PANZER	<input checked="" type="radio"/>	N	A
JENSEN	<input checked="" type="radio"/>	N	A
OURADA	<input checked="" type="radio"/>	N	A
HARSDORF	<input checked="" type="radio"/>	N	A
ALBERS	<input checked="" type="radio"/>	N	A
GARD	<input checked="" type="radio"/>	N	A
KAUFERT	<input checked="" type="radio"/>	N	A
LINTON	<input checked="" type="radio"/>	N	A
COGGS	<input checked="" type="radio"/>	N	A

Motion #1565

AYE 16 NO 0 ABS 0

## NATURAL RESOURCES

## County Forest Administrators

## Motion:

Move to provide \$319,500 annually from the forestry account to: (a) provide grants of 50% of the salary and 100% of the fringe benefit costs of one professional forester who is the county forest administrator or assistant county forest administrator; and (b) provide that if the total amount of payments which the counties are eligible for exceed available funding that the payments be prorated.

## Note:

DNR currently provides counties with land entered as county forest lands grants for up to 50% of the salary cost of a county forest administrator or assistant county forest administrator. There is \$303,000 in base funding for these grants. In administrative rule, the annual grant award to a county may not exceed the lesser of 50% of the position's annual salary or the maximum grant amounts established based upon the acres of county forest. While grants vary by county, current funding provides approximately 43%, on average, of estimated salary costs.

This motion would provide a total of \$622,500 annually for the estimated cost of 50% of salary and 100% of fringe benefit costs (rather than up to 50% of salary costs currently).

[Change to Base: \$639,000 SEG]

[Change to Bill: \$639,000 SEG]

MO# 1546

BURKE	Y	N	A
DECKER	Y	N	A
GEORGE	Y	N	A
JAUCH	Y	N	A
WINEKE	Y	N	A
SHIBILSKI	Y	N	A
COWLES	Y	N	A
PANZER	Y	N	A
JENSEN	Y	N	A
OURADA	Y	N	A
HARSDORF	Y	N	A
ALBERS	Y	N	A
GARD	Y	N	A
KAUFERT	Y	N	A
LINTON	Y	N	A
COGGS	Y	N	A

Motion #1546

AYE \_\_\_\_ NO \_\_\_\_ ABS \_\_\_\_

## NATURAL RESOURCES -- FORESTS AND PARKS

## Managed Forest Land

## Motion:

Move to require DNR to modify the definition of "developed for human residence" within the Managed Forest Land (MFL) program through the rule-making process to address the development of lands for secondary homes.

## Note:

Under the Managed Forest Land program, land designated as MFL is not taxable. A person's primary residence, or domicile, is considered developed for human residence and is not eligible for designation as managed forest land. A secondary residence, however, is not considered developed for human residence and is thus eligible for MFL designation. The land underneath a primary residence is thus taxable, while the land underneath a secondary residence, if designated as MFL, is not taxable. DNR indicates it would develop criteria under which secondary residences would not be eligible for MFL designation, making the land under such residences taxable.

MO# \_\_\_\_\_

*Shibilski friendly**→ up to one acre*

2 BURKE	Y	N	A
DECKER	Y	N	A
GEORGE	Y	N	A
JAUCH	Y	N	A
WINEKE	Y	N	A
SHIBILSKI	Y	N	A
COWLES	Y	N	A
PANZER	Y	N	A
JENSEN	Y	N	A
OURADA	Y	N	A
HARSDORF	Y	N	A
ALBERS	Y	N	A
GARD	Y	N	A
KAUFERT	Y	N	A
LINTON	Y	N	A
COGGS	Y	N	A

NATURAL RESOURCES -- FORESTS AND PARKS

Motion:

Move to shift \$700,000 in 1997-98 and \$700,000 in 1998-99 only, from the forestry account for the payment of principal and interest related to the acquisition and development of forestry-related properties under the stewardship program.

Note:

[Change to Base: -\$1,400,000 GPR and \$1,400,000 SEG]

[Change to Bill: -\$1,400,000 GPR and \$1,400,000 SEG]

MO# 1572

BURKE	Y	(N)	A
DECKER	Y	(N)	A
2GEORGE	(Y)	N	A
JAUCH	(Y)	N	A
WINEKE	Y	(N)	A
SHIBILSKI	Y	(N)	A
COWLES	(Y)	N	A
PANZER	(Y)	N	A
/JENSEN	(Y)	N	A
OURADA	(Y)	N	A
HARSDORF	(Y)	N	A
ALBERS	(Y)	N	A
GARD	(Y)	N	A
KAUFERT	(Y)	N	A
LINTON	(Y)	N	A
COGGS	(Y)	N	A

AYE 12 NO 4 ABS 0



# Natural Resources

## Air, Waste and Contaminated Land

(LFB Budget Summary Document: Page 416)

### LFB Summary Items for Which Issue Papers Have Been Prepared

<u>Item #</u>	<u>Title</u>
-	Overview of Recycling Funding Proposals (Paper #590)
-	Recycling Market Development Board -- Commerce (Paper #591)
28	Recycling Fund Transfer to General Fund (Paper #592)
29	Municipal and County Recycling Grant Calculation (Paper #593)
30	Recycling Staff Conversion (Paper #594)
-	Brownfields Grant Program -- Commerce (Paper #606)
-	Brownfields Redevelopment Loan Guarantee Program -- WHEDA (Paper #607)
11	Brownfields -- Funding Changes (Paper #608)
13	Brownfields -- Property Affected by Offsite Discharges (Paper #609)
15	Brownfields -- Voluntary Party Liability Limitation (Paper #610)
18,25	Brownfields -- Exemption from Hazardous Substances Spills Law for Local Governments and Nonprofit Economic Development Corporations (Paper #611)
19	Brownfields -- Lender Liability Exemption (Paper #612)
21	Brownfields -- Civil Immunity for Lenders and Voluntary Parties (Paper #613)
22	Brownfields -- Stewardship Funding Priority (Paper #614)
23	Brownfields -- Spills Law Stepped Enforcement (Paper #615)
24	Brownfields -- Delay Spills Law Cleanup Requirement (Paper #616)
1	Air Quality Monitoring and Data Acquisition and Reporting System (Paper #617)
-	Program Revenue Reestimate - Air Management, Asbestos Abatement (Paper #618)
-	Air Management Permit Review Program Revenue Deficit (Paper #619)
4,6	Environmental Management Account Condition, Vehicle Environmental Impact Fee and Spills Cleanup (Paper #620)
-	Well Compensation Fee and Grants -- Water Quality (Paper #621)
33	Nonmetallic Mining Reclamation (Paper #622)
-	Safe Drinking Water Enforcement -- Water Quality (Paper #623)

**Agency:** DNR- Air, Waste & Contaminated Land

## **Staff Recommendations:**

(Special Note: Be careful with these papers. DNR is a base-level agency, but there are some other bill agencies mixed in here (i.e. Commerce, WHEDA, etc))

### **Paper No. 590:** Decker Motion on Recycling

Comments: Senator Decker will likely do his recycling motion here. Call on him for motion and help him support it. Note: The gov. And GOP are vulnerable on this issue, so we should seek bipartisan consensus.

Panzer may also have motion which you should oppose.

### **Paper No. 591:** Alternative 2(a), 3(b), 4 (a) (b) (c) (f) (g)

Comments: This is a Commerce agency paper, i.e., working off bill. You may want to separate out the different paragraphs of alternatives for individual voting. This will make it less confusing and may prevent possible complaints. Mostly, you are proposing what the Leg. Council committee recommended. See highlighted paragraphs. DNR wants Alt. 1. 5(a) (Sensen)

### **Paper No. 592:** Alternative 2 (Sensen 1)

Comments: Let people know you're working off bill here because the transfer goes out of DNR and into general fund. General fund is voted on a bill agency level. You are opposed to any raids on the recycling fund—the gov took enough last session. DNR wants Alt. 1.

### **Paper No. 593:** Alternative 2

Panzer's motion

Comments: See paragraph 8. Why mess around for the last few years. (But, haven't talked to City of Milwaukee yet.) DNR wants Alt. 1.

### **Paper No. 594:** Alternative 2 ✓

3(a)(b)(c)

Comments: Might as well take the small GPR savings here. But, also see paragraphs 5, 7 and 9 for support of Alt. 3. DNR wants Alt. 1.

(\*\* note jump in Paper Numbers from #594 to #606 \*\*)

**Paper No. 606:** Part A -- Alternative 4

*Jensen (2)*

Comments: This is a good idea. See paragraph 3. But the gov. has picked the wrong funding source. The raid on the recycling fund doesn't provide long term support for the brownfields program and hurts recycling efforts.

**2 Burke Motions:** A, GPR for brownfields grants; B, 2.75% gross receipts tax on income over a million. Note, businesses will be the recipients of most of these grants and they should pay for them.

Part B -- Alternative 3

*(Jensen 2c)*

DNR wants A1 and B1.

**Burke Motion:** For Senator Moore, deals with brownfields and W2 workers. Barry has more info.

**Paper No. 607:** Alternative 5

*Jensen (2+4)*

Comments: Again, you can't support a raid on the recycling fund even for a good purpose. DNR wants Alt. 2.

**Burke Motion:** Essentially, Alt. 2, but use GPR instead of SEG. Ask FB to explain.

**Paper No. 608:** Alternative 2

✓

Comments: See paragraphs 4, 6 and 7. DNR wants Alt. 1.

**Paper No. 609:** Alternative 2(a) (b) (c) (e)

✓

Comments: This is a fair way to deal with contaminant migration. See paragraphs 1, 2, 3 and 7. Note: Don't do 2d, I think this might harm Badger Alloy's land purchase attempts. DNR wants Alt. 2.

**Paper No. 610:** Alternative 2(a) (b) (c) (d) (e)

*Scott no CFB okay*

Comments: See paragraphs 1, 5, 6, 7, 8 and 9 for support. DNR wants 2 a,b,c,d,e.

**Paper No. 611:** Alternative 2(a) (b) (c)

✓

Comments: This is a good idea and the 30th Street Industrial Corridor folks would like a chance to see if it works. See paragraphs 1, 3, 8, 9, 10 and 11. DNR wants 2,a,b,c.

**Burke Motion:** Municipal exemption from liability for City of Milwaukee. Barry has more info.



**Burke Motion:** Include acquiring property by condemnation in liability exemption. Barry has more info.

**Paper No. 612:** Alternative 2 and 3 (together) ✓

Comments: These seem like reasonable changes to the lender liability law. See paragraphs 1, 2, 5, 6 and 7. DNR wants 2 and 3.

**Paper No. 613:** Alternative 2 *Dewler*

Comments: See paragraph 5, but Alt. 1 also sounds good in paragraph 4. DNR wants Alt. 1.

**Paper No. 614:** Alternative *f* *Scott Zaba*

Comments: This could be good for the Menomonee Valley. See paragraphs 4 and 6. Note: Alt. 2 would probably also be okay. DNR wants Alt. 1.

**Paper No. 615:** Alternative 2(a) (b) (c) ✓

Comments: See paragraphs 3 and 4. DNR wants 2 a,b,c.

**Paper No. 616:** Alternative 3 (No action needed), *Scott 2*

Comments: This is an important one. The gov. is trying to sneak by some environmental audit/amnesty language. Mention your efforts to reach a compromise on this issue last session. This issue should be addressed as a separate bill. It's a major public policy change. DNR wants 2a,b,c,d,e,f.

**Paper No. 617:** Alternative 2 ✓

Comments: See paragraph 7. If money is needed for the monitoring equipment, DNR can come back under 16.515. Of course they disagree and want Alt. 1. This is a controversial issue and it's best to wait to fund anything until the Feds act. DNR wants Alt. 1.

**Paper No. 618:** Approve Modification to Base ✓

**Paper No. 619:** Alternative *f* *Wm*

Comments: See paragraphs 3, 4 and 5. Alt. 1 would also be okay, but may be harmful to DNR's air quality control effort. DNR wants Alt. 2.

**Paper No. 620:** Alternative 2(b)

Comments: Apparently, the gov. has agreed to this. DNR needs this money to replace lost federal dollars and sunseting project positions. See paragraphs 2, 3, 6, 10. Alt. 2(c) would also be okay. DNR wants Alt. 2b.

**Paper No. 621:** Alternative 2 ✓

Comments: DNR wants Alt. 1.

**Paper No. 622:** Alternative 2 and 4 (together) ✓

Comments: See paragraph 8. DNR and others won't like Alt. 2, but they should be able to get going with existing staff and collect fees. Alt. 3 would be bad budgeting. You have to do Alt. 4 or Baumgart will haunt you forever. DNR wants Alt. 3 and 4.

**Paper No. 623:** Alternative 2 ✓

Comments: See paragraphs 3 and 5. Thank Kendra Bonderud for getting DNR and Walter Kuhlman to cut a deal. DNR wants Alt. 2.

\*\*\*\*

**Burke Motion:** Aquasheds. Requires DNR to study possibility of creating groundwater cleanup districts and other things, and report back to JFC.

**Burke Motion:** Relates to item number 6 on issues that FB didn't prepare papers. It's a technical motion for DNR. Ask FB to explain.

*For issues that FB didn't prepare papers on, action is needed, because DNR is a base-level agency. (note: all these items are fine with me)*

To: Joint Committee on Finance

From: Bob Lang, Director  
Legislative Fiscal Bureau

## ISSUE

### Overview of Recycling Funding Proposals

This paper discusses the funding levels for recycling included in: (a) current law; (b) the Governor's 1997-99 budget bill; and (c) the recommendations of the Joint Legislative Council's Special Committee on the Future of Recycling. The following sections describe the major provisions and estimated recycling fund condition. Attachment 1 compares the major provisions of current law and the two recommendations.

## CURRENT LAW

The opening cash balance of the recycling fund was \$33.6 million on July 1, 1996. However, \$28.9 million of this amount is unavailable for appropriation during 1996-97 because it was encumbered during 1995-96 or was included in the year-end balance of a continuing appropriation. (For example, \$13.8 million is related to municipal recycling grants that have been awarded, but where the money has not actually been disbursed.) Therefore the July 1, 1996, unencumbered fund balance was \$4.7 million. Under current law revenue and expenditure levels, the estimated unencumbered balance in the recycling fund would be \$30.0 million on June 30, 1999, as shown in Table 1.

**TABLE 1**

**Recycling Fund Condition Statement - Current Law  
(In \$ Millions)**

	<u>1996-97</u>	<u>1997-98</u>	<u>1998-99</u>
Opening Balance*	\$33.6	\$11.0	\$18.1
Revenues			
Recycling Surcharge	42.5	42.6	40.2
Interest	1.9	1.9	2.1
Other	<u>1.2</u>	<u>0.2</u>	<u>0.2</u>
Total Revenue	\$45.6	\$44.7	\$42.5
Total Revenue Available	79.2	55.7	60.6
Appropriations and Reserves	42.5	37.6	30.6
Expenditure of Prior Year			
Encumbrances	<u>25.7**</u>	<u>---</u>	<u>---</u>
Total Expenditures	\$68.2	\$37.6	\$30.6
Closing Unencumbered Balance	\$11.0	\$18.1	\$30.0

\*Cash balance in 1996-97, unencumbered balance in 1997-98 and 1998-99.

\*\*Assumes \$25.7 million of \$28.9 million in encumbrances and continuing balances will be expended.

Major provisions related to current law revenue and expenditure levels include:

1. Base funding levels, for administrative appropriations, standard budget adjustments, pay plan reserves and estimated lapses totaling \$3,956,600 in 1997-98 and \$3,894,200 in 1998-99 with 37.2 positions annually.

2. Funding for Department of Natural Resources (DNR) municipal and county recycling grants as directed under current statutes of \$24,000,000 in 1997-98 and \$17,000,000 in 1998-99 (\$29,200,000 is provided in 1996-97). Currently, no funding is provided for local recycling grants after 1999. For calendar year 1997 grants, 1,016 responsible units of government (representing 99% of the state's population) were awarded local recycling grants totalling \$29.2 million to fund eligible expenses of local recycling programs (\$26.3 million in basic grants and \$2.9 million in supplemental volume-based fee grants). Demand for basic grants totalled \$35.6 million (\$9.3 million greater than available funds), therefore, DNR prorated 1997 preliminary grant awards to 73% of the eligible grant amount. Demand for grant funds also

exceeded available funds in the five prior years, requiring proration of grants to 95% in 1992, 90% in 1993, 91% in 1994, 84% in 1995 and 75% in 1996.

3. Base funding for Recycling Market Development Board of \$8,660,200 annually (\$8,343,000 for financial assistance and \$317,200 and 4.0 positions for administration).

4. Continuance of the current recycling surcharge rate until the recycling surcharge is eliminated for tax years ending after April 1, 1999. The current recycling surcharge rate is 5.5% of gross tax liability for corporations or 0.4345% of net business income for nonfarm sole proprietorships, partnerships, limited liability companies taxed as partnerships and S corporations. Actual recycling surcharge revenues totalled \$198.7 million through 1995-96. Estimated surcharge revenues total \$125.3 million from 1996-97 through 1998-99, for estimated cumulative surcharge revenue collections of \$324 million.

5. Base funding for DNR waste reduction and recycling demonstration grants of \$1,000,000 annually.

Under current law, the unencumbered recycling fund balance on June 30, 1999, would be \$30.0 million. Revenues in 1998-99 would be \$42.5 million and expenditures would be \$30.6 million. The only revenue to the fund after 1998-99 would be: (a) a minimal amount of recycling surcharge revenue received for the last year of collections (primarily late payments); (b) less than \$200,000 annually in loan repayments from the former Department of Development recycling loan programs; and (c) interest income on the cash balance of the fund.

Attachment 2 shows actual cumulative recycling fund revenues and expenditures from 1990-91 through 1995-96. Recycling surcharge revenue of \$198.7 million represented 84% of revenues, with the \$29.7 million transfer from the general fund in 1990-91 representing 13% of revenues. The largest expenditure (\$148.1 million) was for municipal and county recycling grants, representing 66% of expenditures. The second largest expenditure was to transfer \$25.85 million from the recycling fund to the general fund, representing 11% of expenditures.

Currently, responsible units of government must implement "effective recycling programs" in order to comply with the landfilling and incineration bans and receive municipal and county recycling grants. After the municipal and county recycling grants end (after calendar year 1999), the recycling law will continue to restrict the landfilling and incineration of specified materials and responsible units will have to continue implementing effective programs to comply with the landfilling and incineration bans. Effective recycling programs must include specific components. The major components include adoption of a local ordinance to require recycling of the banned materials, public education, a method for collecting recyclable materials from single-family and two- to four-unit residences, curbside or drop-off collection of recyclable materials, and, beginning in 1997, the use of volume-based fees to recover certain solid waste costs. Local governments indicate that the primary local revenue sources for recycling programs are: (a)

currently, the state grant program; (b) local property tax revenues; and (c) in some communities, volume-based or other user fees.

## GOVERNOR'S 1997-99 BIENNIAL BUDGET BILL

Under the Governor's 1997-99 biennial budget bill, the estimated year-end unencumbered balance in the recycling fund would be \$12.6 million on June 30, 1999, as shown in Table 2. The negative unencumbered balance at the end of 1997-98 reflects all appropriations made in that year. However, Administration officials indicate that half of the money appropriated for brownfields grants and loan guarantees in 1997-98 (\$12 million) would not be spent before 1998-99.

**TABLE 2**

**Recycling Fund Condition Statement  
Governor's 1997-99 Biennial Budget Bill  
(In \$ Millions)**

	<u>1997-98</u>	<u>1998-99</u>
Opening Balance	\$11.0	-\$4.5
Revenues		
Recycling Surcharge	42.6	40.2
Interest	1.7	1.7
Other	<u>0.2</u>	<u>0.2</u>
Total Revenue	\$44.5	\$42.1
Total Revenue Available	55.5	37.6
Appropriations and Reserves	56.1	25.0
Transfer to General Fund	<u>3.9</u>	<u>0.0</u>
Total Expenditures	\$60.0	\$25.0
Closing Unencumbered Balance	-\$4.5	\$12.6

The Governor's recommendations include several provisions that would change current levels of recycling fund expenditures. These provisions include:

1. Provide funding for administrative appropriations, standard budget adjustments, pay plan reserves and estimated lapses totalling \$3,956,600 in 1997-98 and \$3,894,200 in 1998-99 with 37.2 positions annually.
2. Transfer \$3,850,000 in 1997-98 from the recycling fund to the general fund.
3. Continue current law funding levels for DNR municipal and county recycling grants of \$24,000,000 in 1997-98 and \$17,000,000 in 1998-99.
4. Decrease Recycling Market Development Board funding to \$2,820,000 in 1997-98 and \$2,820,500 in 1998-99 with 4.0 positions, which includes decreasing financial assistance by \$5,843,000 annually to provide \$2,500,000 annually and providing the remaining funds for administration.
5. Appropriate \$20,000,000 in 1997-98 in a continuing appropriation to the Department of Commerce for a grant program to businesses, individuals and municipalities for brownfields redevelopment and associated environmental remediation activities.
6. Appropriate \$4,000,000 in 1997-98 to the Wisconsin Housing and Economic Development Authority (WHEDA) for a brownfields redevelopment loan guarantee program.
7. Appropriate \$500,000 (\$275,000 in 1997-98 and \$225,000 in 1998-99) to the Department of Administration (DOA) for the development and maintenance of geographic information systems.
8. Convert \$146,400 (\$73,200 annually) and 1.0 DNR position from GPR to recycling fund SEG.
9. Continue current law funding for DNR waste reduction and recycling demonstration grants of \$1,000,000 annually.
10. Continue the current rate and sunset date (April 1, 1999) for the temporary recycling surcharge.

Under the 1997-99 biennial budget bill, the unencumbered recycling fund balance on June 30, 1999, would be \$12.6 million. Revenues in 1998-99 would be \$42.1 million and expenditures would be \$25.0 million. However, as under current law, there would be minimal revenue to the recycling fund after 1998-99. While the 1998-99 year-end recycling fund balance would be available to fund some recycling program expenditures in 1999-2000, it would not be sufficient to continue expenditures at the 1998-99 level.

## **JOINT LEGISLATIVE COUNCIL SPECIAL COMMITTEE ON THE FUTURE OF RECYCLING**

The Joint Legislative Council's Special Committee on the Future of Recycling made several recommendations related to expenditures and revenues for recycling at its March 14, 1997, meeting and a subsequent mail ballot dated April 24, 1997. The Special Committee's recommendations include several provisions that would change current levels of recycling fund expenditures and revenues and continue recycling programs and the recycling surcharge (at a reduced rate) until 2004. Under the Special Committee's recommendations, the estimated unencumbered balance in the recycling fund would be \$15.8 million on June 30, 1999, as shown in Table 3.

**TABLE 3**

**Recycling Fund Condition Statement  
Joint Legislative Council Special Committee on the Future of Recycling  
(In \$ Millions)**

	<u>1997-98</u>	<u>1998-99</u>
Opening Balance	\$11.0	\$27.1
Revenues		
Recycling Surcharge	42.6	13.8
Transfer from General Fund	5.2	5.2
Tire Fee	5.7	6.8
Interest	1.8	1.8
Other	<u>0.2</u>	<u>0.2</u>
Total Revenue	\$55.5	\$27.8
 Total Revenue Available	 66.5	 54.9
 Appropriations and Reserves	 39.4	 39.1
 Closing Unencumbered Balance	 \$27.1	 \$15.8

The Committee's recommendations include the following changes to recycling fund revenues and expenditures:



1. Provide funding for administrative appropriations, standard budget adjustments, pay plan reserves and estimated lapses totalling \$3,956,600 in 1997-98 and \$3,894,200 in 1998-99 with 37.2 positions annually.

2. Retain the current law funding level for DNR municipal and county recycling grants of \$24,000,000 in 1997-98 and increase the grant amount from the current \$17,000,000 to \$24,000,000 in 1998-99 (calendar year 1999). Continue the grant program with funding of \$24,000,000 annually from 2000 through 2004 and convert the calculation of the grant to a per-capita based formula.

3. Modify the recycling surcharge to: (a) delay the sunset from 1999 to 2004; (b) reduce the rate by one-half from 5.5% to 2.75% of gross tax liability beginning with tax year 1998; (c) exempt businesses with gross receipts of less than \$1,000,000; and (d) exempt noncorporate farms. Surcharge revenues would decline by about two-thirds from current levels.

4. Reinstate the tire recovery fee, which will expire June 30, 1997, and increase the fee from \$2 to \$4 per tire. Sunset the fee in 2004.

5. The Special Committee on the Future of Recycling recommended that \$5.2 million annually be transferred from the general fund to the recycling fund from 1997-98 through 2002-03 and \$18.25 million in 2003-04. In addition, the Special Committee recommended creation of a SEG recycling fund sum sufficient appropriation, not to exceed \$5.2 million annually, to provide grants equalling \$1 per capita to any responsible unit that has an effective recycling program from 1997-98 (calendar year 1998) through 2003-04 (calendar year 2004). This would bring total municipal grants to \$29.2 million annually (the level provided in 1996-97).

6. Decrease funding for the Recycling Market Development Board (RMDB) to provide \$2,500,000 annually with 4.0 positions, which includes decreasing financial assistance by \$6,166,500 to provide \$2,176,500 annually and providing \$323,500 annually and 4.0 positions for administration.

7. Provide \$300,000 in 1997-98 annually to the RMDB for materials exchanges, which are services that provide information about wastes available for reuse and help to connect waste generators with parties that can use the waste being generated.

8. Recreate the waste tire reimbursement grant program, which ends June 30, 1997, and provide \$1,200,000 annually.

9. Provide \$400,000 annually to the University of Wisconsin System for research related to solid waste management.

10. Provide \$550,000 to DNR and UW-Extension for a public education program related to the purchase of recycled items by the public and the reduction of solid waste

generation by the public. This would include: (a) \$205,000 in 1997-98 and \$179,000 in 1998-99 for DNR; and (b) \$77,000 in 1997-98 and \$89,000 in 1998-99 for UW-Extension.

11. Provide \$500,000 and 2.5 positions to DNR and UW-Extension and direct DNR, in cooperation with the UW-Extension to conduct a study of the future of solid waste management. This would include \$150,000 annually and 1.25 positions for DNR and \$100,000 annually and 1.25 positions for UW-Extension.

12. Provide \$300,000 in 1997-98 to the Department of Justice to conduct a study of competition in the solid waste industry.

13. Provide base funding for DNR waste reduction and recycling demonstration grants of \$1,000,000 annually.

14. Provide \$100,000 to DNR (\$50,000 in 1997-98 and \$50,000 in 1998-99) to conduct a study of the impact of out-of-state waste on the state and local governments in Wisconsin.

Under this set of recommendations of the Special Committee on the Future of Recycling, the unencumbered recycling fund balance on June 30, 1999, would be \$15.8 million. Revenues in 1998-99 would be \$27.8 million and expenditures would be \$39.1 million. While, the 1998-99 year end balance would be available to fund a portion of recycling expenditures after 1998-99, the balance, in combination with annual revenues under the recommendation, would not be sufficient to fund all proposed expenditures through 2004.

Prepared by: Kendra Bonderud  
Attachment

# ATTACHMENT 1

## Comparison of the Funding Levels for Recycling in Current Law with the Recommendations of the Governor's 1997-99 Biennial Budget Bill and the Legislative Council's Special Committee on the Future of Recycling

Current Law	Governor's 1997-99 Budget Bill	Legislative Council Special Committee
<b>Municipal and County Recycling Grant Funding.</b> Provide funding of \$24,000,000 in 1997-98 (calendar year 1998) and \$17,000,000 in 1998-99 (calendar year 1999).	<b>Municipal and County Recycling Grant Funding.</b> (LFB Page 428, #29) Maintain current law.	<b>Municipal and County Recycling Grant Funding.</b> Provide \$24,000,000 in 1997-98 and annually thereafter through 2003-2004 (calendar year 2004).
<b>Municipal and County Recycling Grant Formula.</b> The 1997 grant calculation formula provides a grant of either 66% of the difference between eligible recycling expenses and avoided disposal costs or \$8 times the population of the responsible unit of government, whichever is less. Currently, the grant calculation formula changes in 1998 and 1999 so that yard waste costs and capital costs are funded at 50% in 1998 and 25% in 1999 (instead of 66% in 1997) and other costs of planning and operating the recycling program would continue to be funded at 66% in 1998 and reduced to 50% in 1999. In 1997, the grant calculation formula subtracts avoided disposal costs from eligible costs before multiplying by 66%. In 1998 and 1999 the current formula subtracts avoided disposal costs from eligible costs after multiplying by 66% (in 1998) or 50% (in 1999) of other program costs.	<b>Municipal and County Recycling Grant Formula.</b> (LFB Page 428, #29) Continue the same grant calculation formula for calendar years 1998 and 1999 as currently exists for calendar year 1997. The bill would retain the: (a) calculation percentage of 66%, and (b) subtraction of avoided disposal costs from eligible costs before multiplying by 66%.	<b>Municipal and County Recycling Grant Formula.</b> Make the same change as the 1997-99 budget bill for calendar years 1998 and 1999. Convert the calculation of the grant for calendar years 2000 through 2004 to a per-capita based formula, which would include: (a) a basic recycling component equal to \$3 times the population of the responsible unit; (b) a curbside collection component equal to \$1.25 times the population of the portion of the responsible unit that receives curbside collection of recyclables; and (c) a waste reduction component equal to \$1.25 times the population of the responsible unit that is served by the waste reduction programs the responsible unit implements. The sum of the three grant components could not exceed 75% of the responsible unit's recycling expenses.
Expenses related to the management of yard waste are eligible for funding under the program.	Maintain current law.	Repeal the funding of yard waste expenses effective for calendar year 1998 grants.
Ten percent of the funds appropriated for grants are set aside for supplemental grants to responsible units that have implemented a volume-based fee system for residential solid waste collection.	Maintain current law.	Repeal the supplemental grant set aside effective for calendar year 1998 grants.
<b>Recycling Market Development Board.</b> The RMDB has the responsibility of promoting the development of markets for recovered materials and promoting the marketing of recovered materials. Base funding for financial assistance is \$8,343,000 annually in a biennial appropriation. In 1996-97, \$317,200 and 4.0 positions are provided for administration.	<b>Recycling Market Development Board.</b> (LFB Page 149, #1) Decrease funding for financial assistance by \$5,843,000 annually to provide \$2,500,000 annually. Provide \$320,000 in 1997-98 and \$320,500 in 1998-99 and 4.0 positions for administration.	<b>Recycling Market Development Board.</b> Decrease funding to provide a total of \$2,500,000 annually for financial assistance and administration of the RMDB. This would include: (a) \$2,176,500 annually for financial assistance, which would be a decrease of \$6,166,500 annually from current law; and (b) \$323,500 annually and 4.0 positions for administration.

Current Law	Governor's 1997-99 Budget Bill	Legislative Council Special Committee
<p>Recycling Market Development Board (continued). 1995 Act 27 transfers the attachment of the RMDB from UW-Extension to the Department of Commerce on the later of July 1, 1997, or the effective date of the 1997-99 biennial budget act.</p> <p>The RMDB is staffed by an unclassified executive director nominated by the Governor and approved by the Senate and three classified administrative positions (an administrative assistant, an educational services assistant and a program assistant).</p> <p>The RMDB annually elects a member to be the chairperson.</p> <p>The RMDB provides all financial assistance approved by the RMDB.</p> <p>The RMDB is required to annually establish, in consultation with the Council on Recycling, a list of materials recovered from solid waste for which the RMDB may award financial assistance, which shall include the materials banned from landfills effective January 1, 1995.</p> <p>The RMDB is required to contract with UW-Extension for administrative staff services, including support in recruiting program staff.</p> <p>The RMDB is required to contract, whenever feasible, with other persons (including other state agencies) to accomplish the powers and duties of the RMDB.</p> <p>The RMDB may not expend more than 10% of its biennial financial assistance appropriation for contracts with and financial assistance to responsible units and other local units of government.</p> <p>The UW-Extension was required to conduct a study of the feasibility and desirability of transferring the powers and duties of the RMDB to a business entity and submit a report on the results of the study to the Governor and the Legislature by October 1, 1996.</p>	<p>Recycling Market Development Board (continued). 1995 Act 27. Maintain the current law transfer to Commerce.</p> <p>Remove authorization for an unclassified executive director. Delete the four current positions in UW-Extension and provide four positions in Commerce. The incumbents would not be transferred from UW-Extension to Commerce. Provide that Commerce, rather than the RMDB, provide 4.0 staff positions for the RMDB.</p> <p>Provide that the Secretary of Commerce or his or her designated representative serves as chairperson of the RMDB.</p> <p>Provide that the RMDB continue to award all financial assistance but that Commerce, rather than the RMDB, pay the financial assistance.</p> <p>Delete the requirement that the RMDB consult with the Council on Recycling when the RMDB annually establishes the priority list of materials.</p> <p>Repeal the provision.</p> <p>Maintain current law.</p> <p>Specify that Commerce (rather than the RMDB) may not pay more than 10% of the financial assistance appropriation for contracts with and financial assistance to responsible units and other local units of government.</p> <p>Repeal the provision. The UW-Extension submitted the report on November 15, 1996.</p>	<p>Recycling Market Development Board (continued). Maintain the current law transfer to Commerce.</p> <p>Same as the 1997-99 budget bill.</p> <p>Provide that the Department of Commerce's representative on the RMDB shall chair the RMDB.</p> <p>Same as the 1997-99 budget bill.</p> <p>Maintain current law. In addition, require that the RMDB's priority list of materials for which the RMDB may provide assistance give priority to materials that, if not recovered, would be disposed in landfills.</p> <p>Same as the 1997-99 budget bill.</p> <p>Limit the authority of the RMDB to contract for services to state agencies, rather than with any other person.</p> <p>Repeal the current law limitation.</p> <p>Same as the 1997-99 budget bill.</p>

Current Law	Governor's 1997-99 Budget Bill	Legislative Council Special Committee
Transfer from Recycling Fund to General Fund. No provision.	Transfer from Recycling Fund to General Fund. (LFB Page 428, #28) Transfer \$3,850,000 in 1997-98 from the recycling fund to the general fund.	Transfer from Recycling Fund to General Fund. No provision.
Brownfields Grant Program. No provision.	<p data-bbox="280 735 508 1333">Brownfields Grant Program. (LFB Page 136, #31) Provide \$20,000,000 from the recycling fund in 1997-98 in a continuing appropriation to create a brownfields grant program administered by the Department of Commerce. Brownfields would be defined as abandoned, idle or underused industrial or commercial facilities or sites, the expansion or redevelopment of which was adversely affected by actual or perceived environmental contamination.</p> <p data-bbox="524 735 954 1333">The Department would be authorized to make a grant to a person if: (a) the person would use the grant proceeds for brownfields redevelopment and associated environmental remediation activities; (b) the party that was responsible for the actual or perceived environmental contamination of the facility or site that would be the subject of the project was unknown or could not be located; and (c) the person would contribute a required proportional share of the cost of the project in the form of cash or in-kind contributions in the form of actual remediation services. The proportional share of project cost that would have to be provided by a recipient would depend upon the size of the grant received as follows: (a) a minimum of 20% for grants that do not exceed \$300,000; (b) 35% for grants exceeding \$300,000 up to \$700,000; and (c) 50% for grants exceeding \$700,000 up to \$5,000,000.</p> <p data-bbox="971 735 1226 1333">Commerce would be required to award: (1) a total of \$3,000,000 in grants that did not exceed \$300,000; (2) a total of \$7,000,000 in grants that would be greater than \$300,000, but did not exceed \$700,000; and (3) a total of \$10,000,000 in grants that would be greater than \$700,000, but did not exceed \$5,000,000. The maximum grant that could be awarded would be \$5,000,000. The Department would also be required to award at least seven grants for projects that would be located in municipalities with a population of less than 30,000.</p>	Brownfields Grant Program. No provision.

Current Law	Governor's 1997-99 Budget Bill	Legislative Council Special Committee
<p><b>Brownfields Loan Guarantee Program.</b> No provision.</p>	<p><b>Brownfields Loan Guarantee Program.</b> (LFB Page 649, #1) Provide \$4,000,000 from the recycling fund in 1997-98 to the Wisconsin Housing and Economic Development Authority (WHEDA) for a brownfields loan guarantee program. Beginning July 1, 1998, WHEDA would be allowed to guarantee repayment of up to 80% of the principal of an eligible brownfields redevelopment loan. The outstanding principal amount of loans guaranteed would not be allowed to exceed \$500,000.</p> <p>A loan made by a participating lender would be eligible for a guarantee if all of the following apply: (a) the borrower is a business in the state; (b) as determined by WHEDA, the borrower uses the loan proceeds for direct or related expenses, associated with the redevelopment of brownfields and environmental remediation activities; (c) the loan proceeds are not applied to the outstanding balance of any other loan; (d) WHEDA approves the interest rate on the loan, including any origination fees or other charges; (e) the lender obtains a security interest in any equipment, machinery, physical plant or other assets to secure repayment of the loan; (f) the term of the loan does not extend beyond 15 years after the date on which the lender disburses the loan unless WHEDA agrees to an extension; (g) the lender considers the borrower's assets, cash flow, and managerial ability sufficient to preclude voluntary or involuntary liquidation for the term of the loan; and (h) the lender agrees to WHEDA's guarantee percentage established for the loan.</p>	<p><b>Brownfields Loan Guarantee Program.</b> No provision.</p>
<p><b>Geographic Information Systems.</b> No provision.</p>	<p><b>Geographic Information Systems.</b> (LFB Page 51, #3) Provide \$500,000 (\$275,000 in 1997-98 and \$225,000 in 1998-99) to the Department of Administration (DOA) for the development and maintenance of geographic information systems relating to land in the state for the use of governmental and nongovernmental units.</p>	<p><b>Geographic Information Systems.</b> No provision.</p>
<p><b>Recycling Staff Conversion.</b> No provision.</p>	<p><b>Recycling Staff Conversion.</b> (LFB Page 429, #30) Convert \$73,200 and 1.0 waste manager position annually in DNR's Bureau of Waste Management from GPR to recycling fund SEG.</p>	<p><b>Recycling Staff Conversion.</b> No provision.</p>

Current Law	Governor's 1997-99 Budget Bill	Legislative Council Special Committee
<p><b>Recycling Surcharge.</b> The temporary recycling surcharge is eliminated for tax years ending after April 1, 1999. The current recycling surcharge rate is 5.5% of gross tax liability for corporations or 0.4345% of net business income for nonfarm sole proprietorships, partnerships, limited liability companies taxed as partnerships and S corporations. The minimum payment is \$25 and the maximum payment is \$9,800. The following are exempt from paying the surcharge: (a) corporations (including S corporations), insurance companies, sole proprietorships and partnerships with less than \$4,000 in gross receipts; (b) members of the clergy; and (c) noncorporate farms with less than \$1,000 of net farm profits. Noncorporate farms that are subject to the surcharge pay a flat amount of \$25.</p> <p>Currently, each year the Department of Revenue (DOR), with the approval of the Joint Committee on Finance, is required to estimate the amount of revenue necessary to fund all appropriations from the state recycling fund in the following year and to adjust the recycling surcharge rate accordingly. DOR is required to submit the proposed temporary recycling surcharge rate to the Joint Committee on Finance for the quarterly s. 13.10 meeting in December. If the Committee approves the rate, it first applies to tax years beginning on or after the January 1 after the Department notifies the Committee; if the Committee disapproves of the proposed rate, the current rate remains in effect.</p>	<p><b>Recycling Surcharge.</b> Maintain the current recycling surcharge rate and sunset date.</p> <p>Maintain current law.</p>	<p><b>Recycling Surcharge.</b> Reduce the current recycling surcharge on business income taxes beginning with tax year 1998 and delay the sunset of the surcharge from 1999 to 2004. The recommended modifications include: (a) reduce the recycling surcharge rate from 5.5% to 2.75% of gross tax liability; (b) exempt businesses from gross receipts of less than \$1 million; and (c) exempt noncorporate farms from the surcharge.</p> <p>Maintain current law.</p>
<p><b>Tire Recovery Fee.</b> The current tire recovery fee of \$2 per tire (\$10 per vehicle) is collected by the Department of Transportation (DOT) at the time the owner of a new vehicle applies for a certificate of title for the vehicle. The fee expires on June 30, 1997. The fee is deposited in the waste tire removal and recycling program revenue appropriation which pays for: (a) cleanup of stockpiles of tires that are a threat to public health; (b) reimbursement grants to end-users or processors of waste tires; and (c) management or recovery grants for local government programs that reduce illegal dumping of tires and projects that expand the markets for waste tires. The program will end on June 30, 1997, and any remaining program revenues will be deposited in the general fund (estimated to be \$1.5 million).</p>	<p><b>Vehicle Environmental Impact Fee.</b> (LFB Page 417, #4) While not changing recycling fund revenues or expenditures, the bill would create an environmental impact fee of \$5 per vehicle on the sale of new trucks that would be deposited into the environmental fund. The fee would be collected by DOT in the same way and at the same time as the existing tire recovery fee. The fee would first apply to vehicles purchased on the effective date of the bill.</p>	<p><b>Tire Recovery Fee.</b> Recreate the current tire recovery fee and increase the fee from \$2 to \$4 per tire, collected by DOT in the same way and at the same time as the existing tire recovery fee at the time the owner of a new vehicle applies for a certificate of title for the vehicle. The fee would continue through 2004.</p>

Current Law	Governor's 1997-99 Budget Bill	Legislative Council Special Committee
<p><b>Waste Tire Reimbursement Grants.</b> The current waste tire removal and recycling program revenue appropriation includes reimbursement grants to end-users or processors of waste tires which will provide approximately \$2.4 million in 1996-97 (calendar year 1996 tires used). The program is repealed effective June 30, 1997.</p>	<p><b>Waste Tire Reimbursement Grants.</b> Maintain current law.</p>	<p><b>Waste Tire Reimbursement Grants.</b> Recreate the waste tire reimbursement grant program and provide \$1,200,000 SEG annually from the recycling fund.</p>
<p><b>Waste Reduction and Recycling Demonstration Grant Program.</b> DNR is provided with \$1,000,000 annually in a continuing appropriation from the recycling fund for grants to municipalities, public entities, businesses and nonprofit organizations for projects which implement innovative waste reduction and recycling activities. Grants may not exceed 50% of the eligible costs or \$150,000, whichever is less.</p>	<p><b>Waste Reduction and Recycling Demonstration Grant Program.</b> Maintain current law.</p>	<p><b>Waste Reduction and Recycling Demonstration Grant Program.</b> Maintain current funding of \$1,000,000 SEG annually. In addition, allow grants to be paid for up to 75% of eligible costs of community-wide waste reduction projects (compared to 50% of eligible costs for current projects).</p>
<p><b>University of Wisconsin Research.</b> In 1986-87, the UW-System allocated \$198,000 GPR for: (a) Solid Waste Research Council grants for research into alternative methods of solid waste management (\$168,600 GPR); and (b) solid waste experiment centers to develop, demonstrate, promote and assess the costs and environmental effects of alternatives to solid waste disposal (\$29,400 GPR and 0.6 GPR position).</p>	<p><b>University of Wisconsin Research.</b> Continue GPR funding for UW System solid waste experiment center programs totalling \$380,000 GPR in 1997-99, including: (a) \$168,600 GPR annually to continue the 1986-87 funding levels for grants for research into alternative methods of solid waste management; and (b) \$21,200 GPR in 1997-98 and \$21,600 GPR in 1998-99 and 0.5 GPR position for solid waste experiment centers.</p>	<p><b>University of Wisconsin Research.</b> In addition to the current GPR funding, provide \$400,000 SEG annually from the recycling fund for research by UW faculty and others into topics related to solid waste management.</p>
<p><b>Public Education.</b> No provision.</p>	<p><b>Public Education.</b> No provision.</p>	<p><b>Public Education.</b> Provide \$550,000 SEG from the recycling fund to DNR and UW-Extension for a public education program related to the purchase of recycled items by the public and the reduction of solid waste generation by the public. This would include: (a) \$205,000 in 1997-98 and \$179,000 in 1998-99 for DNR; and (b) \$77,000 in 1997-98 and \$89,000 in 1998-99 for UW-Extension.</p>
<p><b>Study of the Future of Solid Waste Management.</b> No provision.</p>	<p><b>Study of the Future of Solid Waste Management.</b> No provision.</p>	<p><b>Study of the Future of Solid Waste Management.</b> Provide \$500,000 and 2.5 positions to DNR and UW-Extension and direct DNR, in cooperation with the UW-Extension to conduct a study of the future of solid waste management. This would include \$150,000 annually and 1.25 positions for DNR and \$100,000 annually and 1.25 positions for UW-Extension. Expenditure of the funds would require the review of the Joint Committee on Finance. Direct DNR to report its findings and recommendations to the Governor and the Legislature within two years.</p>



Current Law	Governor's 1997-99 Budget Bill	Legislative Council Special Committee
<p><b>Study of Competition in the Solid Waste Industry.</b> No provision.</p>	<p><b>Study of Competition in the Solid Waste Industry.</b> No provision.</p>	<p><b>Study of Competition in the Solid Waste Industry.</b> Provide \$300,000 SEG in 1997-98 from the recycling fund to the Department of Justice (DOJ) to conduct a study of the solid waste industry in Wisconsin to determine whether there is effective competition in the provision of solid waste services to municipalities, counties, businesses and individuals and whether there are potential violations of state or federal anti-trust laws by such service providers. Direct DOJ to report its findings to the Legislature within one year.</p>
<p><b>Supplemental Recycling Grant.</b> No provision.</p>	<p><b>Supplemental Recycling Grant.</b> No provision.</p>	<p><b>Supplemental Recycling Grant.</b> Transfer \$5,200,000 annually from the general fund to the recycling fund from 1997-98 through 2002-03 and \$18,250,000 in 2003-04. Create a SEG recycling fund sum sufficient appropriation, not to exceed \$5.2 million annually, to provide grants equalling \$1 per capita to any responsible unit that has an effective recycling program for any costs related to the program.</p>
<p><b>Study of Out-of-State Waste.</b> No provision.</p>	<p><b>Study of Out-of-State Waste.</b> No provision.</p>	<p><b>Study of Out-of-State Waste.</b> Provide \$50,000 in 1997-98 and \$50,000 in 1998-99 to DNR to conduct a study of the impact of out-of-state waste on the state and local governments in Wisconsin.</p>

## ATTACHMENT 2

### Recycling Fund Cumulative Revenues and Expenditures 1990-91 Through 1995-96

	<u>Amount (In Millions)</u>	<u>Percent</u>
<b>REVENUES</b>		
Recycling Surcharge	\$198.69	83.90%
Transfer from the General Fund	29.70	12.54
Investment Income	7.19	3.03
Other	1.25	0.53
Total Revenues	<u>\$236.83</u>	<u>100.00%</u>
<b>EXPENDITURES AND ENCUMBRANCES</b>		
<b>Program Administration</b>		
<i>Agriculture, Trade and Consumer Protection</i>		
Recycling products regulation	\$0.65	0.29%
<i>Commerce (Development prior to July 1, 1996)</i>		
Recycling development program	0.41	0.18
Recycling rebate program administration	0.41	0.18
<i>Natural Resources</i>		
Park and forest recycling activities	0.27	0.12
Recycling-administration	5.89	2.61
Recycling grants-administration	0.68	0.30
Statewide recycling administration	3.10	1.37
<i>Recycling Market Development Board</i> (Administration through 1994-95, UW System as of 1995-96)		
Recycling market development board; operations	0.45	0.20
<i>Revenue</i>		
Recycling fees administration	1.68	0.74
<b>Education Programs</b>		
<i>Natural Resources</i>		
Statewide recycling education	4.56	2.02
<i>Wisconsin Technical College System</i>		
Recycling programs	0.02	0.01
<i>University of Wisconsin System</i>		
Extension recycling education	1.70	0.75
Research on tin can scrap	0.06	0.03
<b>Grant, Loan, Rebate and Financial Assistance Programs</b>		
<i>Commerce (Development prior to July 1, 1996)</i>		
WDF; recycling loans & grants, assistance	4.66	2.06
Recycling rebates program - assistance	12.71	5.63
Minority business recycling development; grants and loans	0.11	0.05
Technology and pollution control and abatement grants and loans	0.40	0.18
<i>Natural Resources</i>		
Environmental aids - municipal & county recycling grants	148.08	65.57
Environmental aids - waste reduction and recycling demonstration grants	6.13	2.72
Environmental aids - lake states wood utilization consortium	0.00	0.00
<i>Recycling Market Development Board</i> (Administration through 1994-95, University of Wisconsin System as of 1995-96)		
Recycling market development board; assistance	7.32	3.24
<b>WHEDA</b>		
Transfer-development reserve fund	0.68	0.30
<b>Transfer to General Fund</b>	<u>25.85</u>	<u>11.45</u>
<b>TOTAL EXPENDITURES</b>	<b>\$225.82</b>	<b>100.00%</b>
Cumulative Revenues less Cumulative Expenditures/encumbrances	\$11.01	
Less 95-96 year end continuing balances	-\$3.82	
Less adjustment for encumbrances	<u>-\$2.52</u>	
Available July 1, 1996, unencumbered fund balance	<u>\$4.66</u>	